

**IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION**

In re)
)
CAH ACQUISITION COMPANY 11, LLC) Case Number 19-22020 DSK
d/b/a LAUDERDALE COMMUNITY)
HOSPITAL) Chapter 11
)
Debtor.)

**NOTICE TO PARTIES WITH INTEREST IN PURCHASE
OF SUBSTANTIALLY ALL OF THE DEBTOR'S ASSETS**

COMES NOW, CAH Acquisition Company 11, LLC d/b/a Lauderdale Community Hospital (the “Debtor”) in its capacity as Debtor and Debtor-in-Possession through undersigned counsel and files this Notice to all parties with interest in purchase of substantially all of the Debtor’s assets free and clear of all liens, interest, claims and encumbrances (the “Sale”) and states as follows:

1. On September 23, 2020, Debtor filed its motion to approve the sale (the “Sale”) of substantially all of its assets free and clear of liens, interests, claims and encumbrances pursuant to Section 363 of the Bankruptcy Code (the “Sale Motion”) [Dk No. 220].

2. In the Sale Motion the Debtor sought approval of the Bankruptcy Court for the Sale to the Stalking Horse or higher bidder in accordance with Bidding Procedures approved by the Court.

3. Attached as an exhibit to the Sale Motion was the Stalking Horse bid in the form of an Asset Purchase and Sale Agreement (the “Proposed APA”) received from Lauderdale Community Hospital, LLC, a Tennessee limited liability company (the “Proposed Buyer”).
4. Included in the assets to be purchased subject to the Proposed APA (the “Acquired Assets”) is the right to receive the remaining proceeds (the “Unused Funds”) of the CARES Act Provider Relief Funds received by Debtor as of the Closing¹ by Order of the Bankruptcy Court and/or agreement with the United States Department of Health and Human Services (“DHHS”).
5. On October 23, 2020, the DHHS filed its objection to the Sale Motion, in part on behalf of its agency, the Health Resources and Services Administration asserting that it would be improper to transfer the Unused Funds as proposed in the Sale Motion.
6. After consideration of the objection filed by DHHS and discussion with the Proposed Buyer, it has been agreed that the Unused Funds shall not be considered an Acquired Asset as provided under Section 3.5 of the Proposed APA and that pursuant to Section 13.3 of the Proposed APA, the requirement under Section 13.1.2 that the Seller shall have notified Buyer that the Bankruptcy Court and/or the DHHS has approved Buyer’s receipt of the Unused Funds at Closing is waived.

¹ Capitalized Terms not otherwise defined are as set forth in the Proposed APA.

7. All parties with interest in purchase of the Acquired Assets are hereby notified that the Debtor shall not seek under any proposed competing bid to transfer the Unused Funds based upon the objection filed herein by DHHS.
8. Debtor is forwarding this Notice to all parties who have expressed specific interest in purchase of the Acquired Assets.

Dated this 19th day of November, 2020.

Respectfully submitted,

BAKER DONELSON BEARMAN
CALDWELL & BERKOWITZ, PC

/s/ E. Franklin Childress, Jr.
E. Franklin Childress, Jr. (Bar No. 07040)

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Attorneys for CAH Acquisition Company 11, LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 19th day of November, 2020, service of the true and accurate copy of the foregoing by electronic means and/or via regular U.S. Mail, postage prepaid, to the following persons in accordance with Guideline 19(b) of the Amended Guidelines for Electronically Filing.

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All parties on the Bankruptcy Noticing Service List	

/s/ E. Franklin Childress, Jr.
E. Franklin Childress, Jr.